



# FY2020 Local Development Budget Planning

DATE: June 3, 2019



# LDBP Program Budgeting Process

- Process
  - LDBP Document is the blueprint for program planning and therefore, budgeting
  - Staff will come to CAC and Board for feedback on budgets and as programs are planned and implemented
- Budgets to date
  - LDBP was originally approved in July 2018 with \$2M in early action funding recommendations
  - FY '19 (2018-2019) Budget of \$775k was accepted at Feb/2019 BOD meeting
  - FY '20 (2019-2020) Proposed budget is \$4.6M
  - Note that fiscal years (FY) are from July 1 to June 30

# Overarching Principles of the LDBP

- Develop a high-level roadmap and framework for accelerating local DER deployment and maximizing community benefits
- Offering innovative program designs can overcome market failures & incentivize meaningful community & organizational benefits
- Development of local, clean, dispatchable, and distributed energy resources supports EBCE's core values and goals
- EBCE can support a vibrant local economy and workforce, and protect its most vulnerable customers through targeted local energy programming and investments
- A diversified portfolio of local programs coupled with retail rate savings can deliver greater benefit than rate savings alone

# Optimizing Development Programs

- LDBP Program will deliver benefits across categories and customer segments
- CAC feedback will influence prioritization of program investments

- GHG Reduction
- Criteria Pollutants
- Local Generation
- Local Resilience

Environmental



- FTE Equivalents
- Direct Labor Wages
- \$ Invested
- Bill Savings

Economic



- Residential
- Commercial
- Municipal
- DACs

Customer Segment



# FY '20 Proposed LDBP Budget Allocation

| LDBP Area                      | 2020 Proposed (\$000) | % of Budget                       | LDBP Early Actions (\$000) |
|--------------------------------|-----------------------|-----------------------------------|----------------------------|
| Vehicle Electrification*       | \$ (2,000)            | 44.7%                             | \$ (500)                   |
| Building Electrification       | \$ (675)              | 15.1%                             | \$ (50)                    |
| Collaborative Procurement      | \$ (600)              | 13.4%                             | \$ (699)                   |
| Community Investment Fund      | \$ (600)              | 13.4%                             | \$ (450)                   |
| Enhanced NEM                   | \$ (350)              | 7.8%                              | \$ (105)                   |
| Demand Response                | \$ (150)              | 3.4%                              | \$ (100)                   |
| Energy Efficiency              | \$ (100)              | 2.2%                              | \$ (100)                   |
| <b>Total Proposed</b>          | \$ (4,475)            |                                   | \$ (2,004)                 |
| <b>Other Available Revenue</b> |                       |                                   |                            |
| BAAQMD                         | \$ 150                |                                   |                            |
| Grants and LCFS Credits        | \$ 750                | Mainly in Vehicle electrification |                            |
| LDBP Operating Funds           | \$ (3,575)            |                                   |                            |

\*Note: Vehicle Electrification Budget dependent on Grants

# Additional Funding

- Existing grant funds
  - Currently implementing \$300K BAAQMD Grant for Solar+Storage on critical facilities with Peninsula Clean Energy
- Pursuing additional funds to increase Local Development Budget across multiple program areas, including:
  - Low Carbon Fuel Standard (LCFS) credits can generate millions in revenue for vehicle electrification in Alameda county
    - LCFS credits will be re-invested into additional vehicle electrification programs and projects
  - \$750k of the \$2M transportation electrification budget will depend on receipt of funds

# CAC Feedback Requests

- Total LDBP Budget
  - What percent of the overall budget seems appropriate for LDBP programs?
- Program Optimization
  - The previous slide has several categories (environmental, economic, customer segment) – Which of these categories does the CAC feel should be given higher priority assuming limited budgets means that not all are possible to be covered in a single fiscal year?
- Program Areas
  - Do you agree with the percentages by LDBP program area shown on the previous slide? If not, how would you adjust?